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NOTICE: For Release February 26th, 1963

TWENTY-FOURTH ANNUAL REPORT

OF

AUNOR GOLD MINES
LIMITED

For the Year Ended December 31st, 1962

FEB 26 1963

ANNUAL MEETING

APRIL 8th, 1963 — 12:00 Noon (Toronto Time)

KING EDWARD SHERATON HOTEL

AUNOR GOLD MINES LIMITED

HEAD OFFICE: 1700 Bank of Nova Scotia Building, Toronto 1

Incorporated under the Laws of the Province of Ontario

CAPITAL:

Authorized and Issued 2,000,000 Shares of the Par Value of \$1.00 each

DIRECTORS:

JOHN R. BRADFIELD	-	-	-	-	-	-	-	-	-	-	-	Toronto
K. C. GRAY	-	-	-	-	-	-	-	-	-	-	-	Toronto
R. V. PORRITT	-	-	-	-	-	-	-	-	-	-	-	Toronto
W. S. ROW	-	-	-	-	-	-	-	-	-	-	-	Toronto
N. C. URQUHART	-	-	-	-	-	-	-	-	-	-	-	Toronto

OFFICERS:

JOHN R. BRADFIELD	-	-	-	-	-	-	-	-	-	-	-	<i>President</i>
W. S. ROW	-	-	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
C. H. WINDELER	-	-	-	-	-	-	-	-	-	-	-	<i>Secretary</i>
R. G. RUDOLF	-	-	-	-	-	-	-	-	-	-	-	<i>Treasurer</i>

GENERAL MANAGER:

J. H. STOVEL

CONSULTING GEOLOGISTS:

W. F. JAMES, B. S. W. BUFFAM & M. A. COOPER

TRANSFER AGENT AND REGISTRAR:

CHARTERED TRUST COMPANY
TORONTO

BANKERS:

THE BANK OF NOVA SCOTIA

AUNOR GOLD MINES LIMITED

Directors' Report to the Shareholders

EARNINGS PER SHARE

	1962	1961
Operating Profit	4.6¢	2.0¢
E.G.M.A. Credit	21.6	20.7
	26.2¢	22.7¢
Investment Income including Profit or Loss on Sale of Investments	5.5	6.3
	31.7¢	29.0¢
Income and Production Taxes	7.7	5.4
	<u>24.0¢</u>	<u>23.6¢</u>

Dividends totalling 20¢ per share were paid during the year compared with 19¢ per share in 1961. A dividend of 5¢ per share has been declared payable March 1, 1963 which will bring the total dividends paid to \$4.05 per share or \$8,100,000.

The more favourable rate of exchange increased the average price received for gold from \$35.46 per ounce in 1961 to \$37.40 in 1962 and assisted in maintaining net profit in spite of a decline in the grade of ore treated. Credits under The Emergency Gold Mining Assistance Act continue to sustain the operation, the 432 employees and a significant part of the Timmins community, as well as providing business for suppliers across the country.

Tonnage milled averaged 750 per day compared with 765 in 1961 and grades averaged 0.31 oz. and 0.33 oz. respectively. Ore reserves at the year end contained 1,182,000 tons averaging 0.34 oz. gold per ton. After milling 274,000 tons, ore reserves were maintained.

The exploration work below the 2900 foot level continues to indicate favourable conditions. A decision must shortly be made regarding two alternatives for a shaft to service this area.

Your Directors wish to record their appreciation of the loyal and able services rendered during the year by your Manager, Mr. R. E. Findlay, and all employees.

On behalf of the Board,

JOHN R. BRADFELD,

President.

Toronto, Ontario,
February 11, 1963.

AUNOR GOLD MINES LIMITED

(Incorporated under the laws of Ontario)

BALANCE SHEET AS AT DECEMBER 31, 1962

		1961 Comparative Figures
ASSETS		
CURRENT		
Cash	\$ 52,214	\$ 48,447
Bullion	265,050	166,187
Accounts, notes and interest receivable	946,090	921,304
Marketable investments at cost (quoted market value, \$802,400)	819,944	1,102,517
Receivable under The Emergency Gold Mining Assistance Act, estimated	166,000	163,000
	<u>\$2,249,298</u>	<u>2,401,455</u>
INVESTMENTS AT COST		
Shares — associated and affiliated companies (quoted market value, \$1,672,500)	929,410	796,435
DEFERRED AND PREPAID ITEMS		
Stores at cost	312,191	324,141
Miscellaneous	6,119	15,860
	<u>318,310</u>	<u>340,001</u>
FIXED		
Mining claims		
Claims purchased	1,063,349	1,063,349
Claims held under lease	106,000	106,000
	<u>1,169,349</u>	<u>1,169,349</u>
Buildings, plant and equipment at cost	1,783,695	1,719,958
Accumulated depreciation	1,628,367	1,569,099
	<u>155,328</u>	<u>150,859</u>
DEFERRED EXPENDITURE		
Mine development expenses, less amounts written off	234,600	109,180
	<u>\$5,056,295</u>	<u>\$4,967,279</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 285,391	\$ 300,410
Taxes payable	77,000	119,000
	<u>\$ 362,391</u>	<u>419,410</u>
DEFERRED		
Accumulated tax reduction for appropriation in future years	130,000	63,000
CAPITAL AND SURPLUS		
CAPITAL STOCK		
Authorized, issued and fully paid 2,000,000 shares of \$1.00 par value	2,000,000	2,000,000
SURPLUS		
Balance, beginning of year	2,484,869	2,392,836
Net profit for the year	479,035	472,033
	<u>2,963,904</u>	<u>2,864,869</u>
Less dividends	400,000	380,000
Balance, end of year	<u>2,563,904</u>	<u>2,484,869</u>
	<u>\$5,056,295</u>	<u>\$4,967,279</u>

Approved on behalf of the Board:

JOHN R. BRADFELD, Director.

W. S. ROW, Director.

AUNOR GOLD MINES LIMITED

*Corp
report*

STATEMENT OF OPERATIONS For the year ended December 31, 1962

		1961 Comparative Figures
REVENUE		
Metal production	\$3,072,203	\$3,088,871
Income from investments:		
Dividends — associated and affiliated companies	64,766	59,341
Other dividends and interest earned	67,042	49,923
Profit (loss) on sale of investments	(22,465)	16,984
	<u>\$3,181,546</u>	<u>3,215,119</u>
EXPENDITURE		
Cost of metal production including mining, milling, delivery and mint charges	2,785,499	2,864,142
Administrative and general expenses	50,679	48,190
Amount written off deferred mine development expense	77,956	64,671
Depreciation	66,924	70,822
	<u>2,981,058</u>	<u>3,047,825</u>
Less recoverable under The Emergency Gold Mining Assistance Act	432,890	413,341
	<u>2,548,168</u>	<u>2,634,484</u>
	633,378	580,635
Provided for income and production taxes	154,343	108,602
Net profit for the year	<u>\$ 479,035</u>	<u>\$ 472,033</u>

Per Share

24¢ 23.6¢

AUDITORS' REPORT

The Shareholders,
Aunor Gold Mines Limited,
Toronto, Ontario.

We have examined the balance sheet of Aunor Gold Mines Limited as at December 31, 1962 and the statement of operations for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and statement of operations present fairly the financial position of the company as at December 31, 1962 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario,
February 11, 1963.

TOUCHE, ROSS, BAILEY & SMART,
Chartered Accountants.

AUNOR GOLD MINES LIMITED

Manager's Report

To the President and Directors:

This report covers operations for the year ending December 31, 1962.

MINE

Production:

Mining was continued between the 1500 and 2900 levels.

Ore extraction amounted to 273,400 tons with an average grade of 0.31 ounces of gold per ton; this compares with 277,000 tons averaging 0.33 ounces per ton in 1961. About 4% of the ore came from above the 2125 horizon.

Development:

Development above the 2900 level was directed toward extension of the known ore zone and its preparation for mining.

By agreement with Delnite Mines Limited, all work below the 2900 horizon was done by Aunor crews working through the Delnite shafts.

On the 3100 level, an entry from the Delnite No. 3 shaft was established and a drift advanced to a point 350 feet east of the boundary into the downward extension of the ore zone. Similarly, on the 3300 level a drift has been advanced 190 feet east of the boundary.

Diamond drilling on these levels continues to indicate ore-making conditions similar to those above the 2900 level.

Development advance in feet is summarized as follows:

	<i>Between 2125 and 2900 Levels</i>	<i>Between 2900 and 4975 Levels</i>	<i>Total</i>
Drifts	730	2,530	3,260
Raises	—	1,480	1,480
Diamond drilling	23,590	10,540	34,130

Ore Reserves:

At the year end the proven ore reserves were 1,182,000 tons averaging 0.34 ounces of gold per ton.

Compared with 273,400 tons mined, 277,400 tons of new ore was proved, all in the block between the 2125 and the 2900 levels.

MILL

The following tabulation provides mill production and performance figures for the year as compared with 1961 and with the period since production commenced in January 1940.

	1962	1961	Total to Date
Tons Milled	274,000	278,700	4,307,300
Tons Milled per Calendar Day	750	765	515
Average Gold Content — oz. per ton	0.314	0.326	0.352
Average Tailings Loss — oz. per ton	0.014	0.016	0.011
Total Recovery — Per Cent	95.4	95.3	96.7
Total Production — Ounces Gold	81,970	86,930	1,466,930
Value of Total Production	\$3,072,200	\$3,088,900	\$52,644,500
Recovery per ton	\$11.20	\$11.10	\$12.20

GENERAL

No additions or alterations to plant were made during the year.

I wish to record my appreciation to W. N. Blayney, Mine Superintendent, W. A. Harris, Mill Superintendent, E. B. Reed, Mechanical and Electrical Superintendent, H. P. Shantz, Chief Accountant and their staffs for the loyal and efficient services they have rendered throughout the year.

To the operating staff of Delnite Mines Limited for their co-operation, I record my thanks.

Respectfully submitted,

R. E. FINDLAY,
Manager.

Timmins, Ontario,
January 15, 1963.

THE UNIVERSITY OF CHICAGO
 DEPARTMENT OF THE HISTORY OF ARTS
 1100 EAST 58TH STREET, CHICAGO, ILL. 60637
 TEL. 733-4331

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NAME	ADDRESS	CITY
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